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NON-MONETARY GOLD MOVEMENT

Following the general IMF concept, non-monetary gold movement is here used to mean private gold imports and exports. Government (official) gold transactions and gold transit are treated separately. 457* 651 439

Lebanon allows the free importation of gold, whether bullion or coins; but gold exportation is subject to licensing. In 1951-52 licences were used very restrictively and covered only very small shipments of gold jewelry and ornaments to Saudi Arabia. There was a short-lived exception in the first two quarters of 1951, where the exportation of gold coins was authorized.

A good deal of the imported gold goes into the Government's official reserves, as currency backing, or is locally consumed in the making of jewelry and ornaments. It is estimated that an average of 30 kilograms is so consumed weekly (or about 1 ½ tons a year). The balance goes into private hoards. When possible, it is smuggled out of the country. Sometimes, as in 1951, when sales profits are high because of an expanded foreign demand or of large government purchases, there may even be net private dishoarding. [306]

It has not been possible to determine accurately the quantity or value of private hoards; they are, however, known to be fairly large. As in other countries in the Near and Far East, gold is still in Lebanon the best alternative to land as the most popular medium in which savings are accumulated. Estimates of private hoards vary between 5 and 10 tons, to which should be added a large amount of gold jewelry. Such jewelry often consists of no more than gold coins mounted on, or connected with, a gold chain to a bracelet or neck piece. [454]

A. Gold imports

Gold imports in Lebanon consist of gold bars and coins. Quantum and value records of these imports are kept at the Customs. The value records, however, are extremely unsatisfactory